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EU-27

Poultry and Products

EU opens poultry TRQ for the United States

2007

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Report Highlights:

The publication on May 16, 2007 of Commission Regulation (EC) No 536/2007 makes the 16.665 MT U.S. country-specific poultry TRQ available, which was agreed as a compensation for the EU enlargement of 2004. This TRQ is available for chicken and turkey meat and offers duty free access for high quality cuts to EU certified exporters. A Certificate of Origin is requested to accompany shipments under this quota.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Brussels USEU [BE2]
[E4]

Commission Regulation (EC) No 536/2007 opening country-specific poultrymeat quota for the United States

On May 16, 2007, [COMMISSION REGULATION \(EC\) No 536/2007](#)¹ was published in the Official Journal. This regulation makes the 16,665 MT TRQ available, which was allocated to the United States as part of the 2004 enlargement compensation agreement under Article XXIV:6 and Article XXVIII of the GATT 1994. This new TRQ is for chicken and turkey meat and offers duty free access for high value cuts, such as a 0 percent tariff on frozen chicken and turkey breast meat. The eligible product codes and their respective duties are listed in Annex I to this regulation. As usual, this TRQ covers July/June marketing years and is made available in four quarterly parts starting July 1. It is governed by licensing application restrictions of ten percent of the available quantity per importer with a minimum of 10 MT. Only product from eligible exporters will qualify for this quota and a certificate of origin will be requested.

Stumbling blocks before this TRQ can be effectively used

In theory this new TRQ becomes available on July 1, 2007, but in practice, several hurdles still need to be overcome before U.S. poultry exporters can enter the EU market.

Eligible exporters

Poultry exporters willing to export to the European Union (EU) need to obtain EU approval first. To achieve this, potential exporters need to obtain [EU export certification](#)² from the Food Safety Inspection Service (FSIS). Successful companies are listed on [FSIS' EU eligible exporters list](#)³, which are published on the FSIS Export Library after EC endorsement. Although no remaining obstacles exist for FSIS certification, the ongoing EU ban on the use of Anti-Microbial Treatments (AMT) in poultry processing, has dissuaded interested U.S. poultry processors from pursuing EU export eligibility status.

Certificate of origin

Additionally, a Certificate of Origin is needed. While this is a strictly administrative document to allow the EU and its Member States to monitor the quota fill for this country specific TRQ, past experience has shown that meeting the EC's strict formatting requirements for this certificate is a challenge for the U.S. competent authorities.

EU poultrymeat market facing many challenges

With a consumption of roughly 9.3 million MT, the European Union market is an appealing target for poultry exporters. However, the EC has faced many problems managing this important market in the past years. Problems have ranged from veterinary problems (Avian Influenza) to market access and tariff problems (WTO case from Brazil and Thailand on poultry tariffs). Despite important restrictions for environmental reasons and animal welfare, which negatively impact EU competitiveness, EU poultry production still exceeds self sufficiency levels. This was only possible as a result of strong EC market protection measures, which have severely restricted market access for foreign exporters. U.S. poultry

¹ http://eur-lex.europa.eu/LexUriServ/site/en/oj/2007/l_128/l_12820070516en00060012.pdf

² http://www.fsis.usda.gov/regulations_&_policies/European_Union_Requirements/index.asp

³ http://www.fsis.usda.gov/regulations_&_policies/Eligible_US_Establishments_by_Country/index.asp

exports to the EU stopped in 1997 as a result of the ban on Anti-Microbial Treatments and have not resumed since. The attached list of reports offers an overview of recent events in the EU poultry market.

Country:	EU25					
Commodity:	Meat, Broiler (1000MT CWE)					
Year	2005		2006		2007	
	USDA Official [old]	Posts estimates [new]	USDA Official [old]	Posts estimates [new]	USDA Official [old]	Posts estimates [new]
Beginning Stocks	0	0	0	0	0	0
Production	7,736	7,804	7,425	7,625	7,530	7,700
Imports	522	549	600	500	645	600
TOTAL SUPPLY	8,258	8,353	8,025	8,125	8,175	8,300
Exports	755	757	620	730	685	730
TOTAL Dom. Consumption	7,503	7,596	7,405	7,395	7,490	7,570
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	8,258	8,353	8,025	8,125	8,175	8,300

Source: EU FAS Offices (GAIN E47009)

Country:	EU25					
Commodity:	Meat, Turkey (1000MT CWE)					
Year	2004		2005		2006	
	USDA Official [old]	Posts estimates [new]	USDA Official [old]	Posts estimates [new]	USDA Official [old]	Posts estimates [new]
Beginning Stocks	0	0	0	0	0	0
Production	1,917	1,918	1,810	1,850	1,790	1,820
Imports	103	106	110	100	115	110
TOTAL SUPPLY	2,020	2,024	1,920	1,950	1,905	1,930
Exports	188	188	150	165	150	150
TOTAL Dom. Consumption	1,832	1,836	1,770	1,785	1,755	1,780
Ending Stocks	0	0	0	0	0	0
TOTAL DISTRIBUTION	2,020	2,024	1,920	1,950	1,905	1,930

Source: EU FAS Offices (GAIN E47009)

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Related reports from USEU Brussels with info on EU CAP Reforms:

Report Number	Title	Date Released
E47009	Poultry – Semi-annual	02/01/07
E36130	EU Approves €193 Million to Fight Animal Diseases in 2007	10/24/06
E36122	EU Mid-year 2006 BSE update	09/21/06
E36070	EU financial aid within reach for EU poultry sector	05/03/06
E36055	Avian Influenza: Impact on EU Poultry Trade and Prices	04/06/06
E36038	Avian Influenza: Impact of Outbreaks on European Poultry and Meat Markets	03/07/06
E36143	Thailand and EU agree on poultry import quota	12/04/06
E36137	EU and Brazil agree on new EU poultrymeat import regime	11/08/06
E36117	EC market support measures in the poultry sector	09/01/06
E36108	Poultry -Annual	08/29/06
E36106	EC market support measures in the poultry sector	07/17/06
E36070	EU financial aid within reach for EU poultry sector	05/05/06
E36055	Avian Influenza: Impact on EU Poultry Trade and Prices	04/07/06
E36038	Avian Influenza: Impact of Outbreaks on European Poultry and Meat Markets	03/07/06
E36031	EU launches Action Plan for the Protection and Welfare of Animals 2006-2010	03/03/06
E36015	Poultry –Semi-annual	01/31/06
E35185	WTO Appellate Body rejects EU appeal in chicken cuts classification dispute	09/16/05
E35166	Analysis of US poultry meat trade with the EU: Past, present, future	08/25/05
E35108	The EC proposes the legislation for its new Broiler Welfare Directive	06/16/05
These reports can be accessed through our website http://useu.usmission.gov/agri/ or through the FAS website http://www.fas.usda.gov/scripts/attacherep/default.asp .		